



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 2  
290 BROADWAY  
NEW YORK, NY 10007-1866

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**  
**Article Number: 7005 3110 0000 5967 7179**

MAR 12 2014

J. Michael Shane, Esq.  
Shane & Reisner, LLP  
Robert H. Livingston Community Center  
188 ½ West Main Street  
Allegany, NY 14706

Re: In the Matter of: UIC-AO-94-1  
Request for Information: SDWA-UIC-IR-14-015  
BDH Oil Co., Inc. Nichols Run Lease, NYU118281

Dear Mr. Shane:

The U.S. Environmental Protection Agency ("EPA") finds that BDH Oil Company, Inc. ("BDH" or "Respondent") continues to be in violation of the above-referenced Administrative Order on Consent ("Order") as was detailed in EPA's letter of July 13, 2010. Specifically:

1. Compliance Measure 2B of the Order required Respondent to establish a trust agreement and to make quarterly deposits into the trust until such time as the value of the trust assets equaled no less than \$136,620 or an adjusted amount based upon updated plugging cost estimates. Your letter of October 20, 2010 indicated that the three accounts established by Respondent contained a total balance of \$86,073.59.
2. Compliance Measure 3A of the Order required Respondent to, within 2 years of the effective date of the Order, i.e. by no later than February 10, 1996, plug the 15 injection wells listed below:

AW-1, AW-2, AW-3, AW-4, AW-5, AW-6, AW-7, AW-8, AW-9, CW-2, CW-3, CW-6, CW-8, CW-9 and EW-17.

The inspections performed by EPA in October 2009 found that the following wells were not plugged and abandoned: AW-1, AW-2, AW-3, AW-7, CW-2, CW-3, CW-6, EW-17. Further, on February 18, 2014 EPA reviewed New York State's oil and gas well database which indicated that these wells and the following additional wells are not plugged and abandoned: AW-5, AW-6, CW-9.

In light of these ongoing violations, among others, it is imperative that you meet with EPA to discuss steps that BDH will take to bring all of its injection wells into compliance with EPA requirements. Please contact EPA Region 2's Office of Regional Counsel as soon as possible to schedule a meeting to take place before April 1, 2014. Contact:

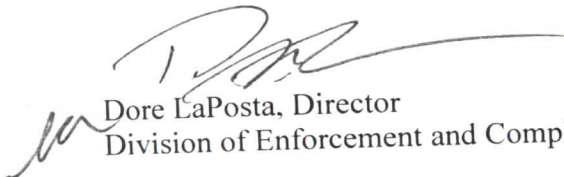
Diane Gomes, Esq.  
Office of Regional Counsel  
United States Environmental Protection Agency  
290 Broadway, 16<sup>th</sup> Floor  
New York, NY 10007-1866  
Re: NYU118281  
Email: gomes.diane@epa.gov

Failure to respond to this letter may subject you to sanctions authorized by federal law. Please also note that all information submitted by you may be used in an administrative, civil judicial, or criminal action. In addition, making a knowing submission of materially false information to the U.S. Government may be a criminal offense.

Pursuant to 40 C.F.R. §§2.203(a) and 144.5, you may, if you desire, assert a business confidentiality claim covering part or all of the information. Information covered by such a claim will be disclosed by EPA only to the extent, and by means of the procedures, set forth in 40 C.F.R Part 2. If no such claim accompanies the information when it is received by EPA, it may be made available to the public by EPA without further notice. You may assert a business confidentiality claim covering the information by placing on (or attaching to) the information, at the time it is submitted to EPA, a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as *trade secret*, *proprietary*, or *company confidential*. Allegedly confidential portions of otherwise non-confidential documents should be clearly identified, and may be submitted separately to facilitate identification and handling by EPA. If you desire confidential treatment only until a certain date or until the occurrence of a certain event, the notice should so state.

I urge your prompt response.

Sincerely,



Dore LaPosta, Director  
Division of Enforcement and Compliance Assistance

cc: Peter Briggs  
New York State DEC  
Div. of Mineral Resources  
Bureau of Oil and Gas Regulation  
Permits Section  
625 Broadway, 3<sup>rd</sup> Floor  
Albany, NY 12233-6500

Christopher Miller  
New York State DEC  
Region 9  
Allegany Sub-Office  
182 East Union Street  
Allegany, NY 14706

Thomas H. Defibaugh  
BDH Oil Company, Inc.  
580 Interstate Parkway  
Bradford, PA 16701

Joseph J. Bucher  
BDH Oil Company, Inc.  
108 Pleasant Street  
Bolivar, NY 14715

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>		<p>A. Signature  <input checked="" type="checkbox"/> Agent  <input type="checkbox"/> Addressee  <i>Colleen R. Estabrook</i></p>	
<p>1. Article Addressed to:</p> <p>J. Michael Shane, Esq. Shane &amp; Reisner, LLP Robert H. Livingston Community Center 188 1/2 West Main Street Allegany, NY 14706</p> <p>SDWA-UIC-IR-14-015</p>		<p>B. Received by (Printed Name)  <i>Colleen R. Estabrook</i></p> <p>C. Date of Delivery  <i>3/14/14</i></p>	
		<p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes          If YES, enter delivery address below: <input type="checkbox"/> No  <i>142 N. BARRY ST OLETA, NY 14760</i></p>	
		<p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
<p>2. Article Number          (Transfer from service label)</p>		<p>7005 3110 0000 5967 7179</p>	
PS Form 3811, August 2001		Domestic Return Receipt 102595-02-M-1540	